

ANGLIA RUSKIN STUDENTS' UNION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST JULY 2017

Company Limited by Guarantee Number: 08064796
Charity Number: 1148574

ANGLIA RUSKIN STUDENTS' UNION

FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2017

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ANGLIA RUSKIN STUDENTS' UNION

TRUSTEE BOARD AND UNION INFORMATION

YEAR ENDED 31st JULY 2017

BOARD OF TRUSTEES

Leigh Rooney – President and Chair of Trustees (resigned 30 June 2017)
Jamie Smith – Activities Officer, Cambridge (to 30 June 2017), President and Chair of Trustees (from 1 July 2017)

Grace Anderson – Education Officer (resigned 30 June 2017)
Precious Nwanze – Activities Officer, Chelmsford (resigned 30 June 2017)
Kathryn Younger – Welfare Officer (resigned 30 June 2017)
Eliza Torres – Vice President FHSCE & FMS (appointed 1 July 2017)
Laura Douds – Vice President FST (appointed 1 July 2017)
Kirran Khan – Student Trustee (appointed 17 October 2016 to 30 June 2017), Vice President LAIBS (from 1 July 2017)
Johanna Korhonen – Vice President ALSS (appointed 1 July 2017)
Paul McHugh – External Trustee
James Barlow – External Trustee
Janice Maclean – External Trustee
Melanie Digney – External Trustee
Richard Halderthay – External Trustee (appointed 7 February 2017)
Tanya Curry – External Trustee (appointed 7 February 2017)
Kathleen Vanderpuye – Student Trustee
Catherine McGuire – Student Trustee (resigned 18 October 2016)
Daryl Sharpe – Student Trustee (appointed 17 November 2016)

CHIEF EXECUTIVE

Matthew Ensor

REGISTERED OFFICE

East Road
Cambridge
CB1 1PT

AUDITORS

Knox Cropper
8-9 Well Court
London
EC4M 9DN

BANKERS

Lloyds Bank Plc
95-97 Regent Street
Cambridge
CB2 1BQ

ANGLIA RUSKIN STUDENTS' UNION

TRUSTEES REPORT

YEAR ENDED 31ST JULY 2017

GOVERNANCE AND OBJECTIVES

Anglia Ruskin Students' Union (the 'Union') incorporated as a company limited by guarantee (Company no. 08064796) on 10th May 2012, and on 15th August 2012 registered as a new legal entity with the Charity Commission (Charity no. 1148574). The Charitable Company took over the assets and activities of the existing unincorporated Union on 1st September 2012 from which date it commenced operations.

The Union is governed by Articles of Association and the object of the Union is the advancement of education of students at Anglia Ruskin University for the public benefit by:

- Promoting the interests and welfare of students at Anglia Ruskin University during their period of study and representing, supporting and advising students
- Being the recognised representative channel between students and Anglia Ruskin University and any other external bodies
- Providing social, cultural, sporting and recreational activities and forums for discussions and debate for the personal development of its students.

The Board of Trustees have paid due regard to the Charity Commission guidance on public benefit when reviewing aims and objectives.

Officer Trustees are elected by the student body; External and Student Trustees are appointed by a constituted Appointments Committee and their appointment is ratified by Union Council. Trustees receive a full induction into the Union and all categories of Trustee are offered training and development opportunities to support them to be effective in their roles.

The Scheme of Delegated Authority is reviewed annually by Trustees and delegated authority is given to the Chief Executive to manage the Union by implementing the policy and strategy adopted by and within a budget approved by the Trustees.

The Union is principally funded via a block grant from the Anglia Ruskin University. The Union works closely with the University and our Strategic Plan, recognising the importance of being a key partner with the University, reflects our desire to work in partnership with the institution to deliver their Corporate Plan.

Major risks have been identified via a Risk Register which is reviewed regularly by the Trustees and procedures are in place to assess and manage those risks.

ANGLIA RUSKIN STUDENTS' UNION

TRUSTEES REPORT

YEAR ENDED 31ST JULY 2017

ACTIVITIES AND ACHIEVEMENTS DURING THE PERIOD

In the previous financial year the Union consulted with over 4,000 ARU students and from this feedback created a new vision and strategy. This financial year sees the delivery of the first year of our new plans. They are:

Vision - Students creating success together.

Mission - A Union with a personal connection to all students. We recognise the individual aspirations for success and support students to realise their ambitions.

Values

- **Inclusive** - We champion equality, diversity and inclusion. We respect the needs of the individual and the wider student community.
- **Honest** - We act honestly, think ahead and deliver on our promises. We share our hopes, challenges and successes widely and effectively.
- **Collaborative** - We always seek to work in partnership to help us realise our shared ambitions.
- **Determined** – We know what is important to ARU students and are driven to achieve the best possible outcomes for them.

The Foundations of Our Success

The success and long term sustainability of our organisation relies on a strong foundation built on people, insight and governance. Our work in these areas will lead to the development of a distinctive and excellent Students' Union able to positively impact the lives of Anglia Ruskin students.

Our foundations of our success are:

Governance - how we're run: For our organisation to grow, succeed and remain sustainable, both financially and environmentally, we must develop excellent governance. We are committed to achieving a mark of 'Good Governance' as outlined in the NUS Code of Practice.

People - who we are: Developing successful volunteers, student leaders and employees is fundamental to achieving our vision. Our staff and volunteers will regard our organisation as an excellent employer, be outstanding at leading and managing transformative projects and inspire a sense of fun and happiness in the lives of ARU students. We are committed to achieving nationally recognised quality marks, demonstrating our investment in volunteers and staff.

Insight - what we know: To understand the aspirations and motivations of our members and create an organisation to meet the needs of our students we must embed research into our culture. We will become expert in developing data and feedback into insight and action, and maintain our recognition by ARU as the legitimate independent voice of students.

ANGLIA RUSKIN STUDENTS' UNION

TRUSTEES REPORT

YEAR ENDED 31ST JULY 2017

Strategic Goals and measures of success

Goal 1. We will actively listen to what students want and put their ideas into action to create positive change in our university.

8 out of 10 students will say that the Students' Union has improved their everyday experience.

Goal 2. We will improve the employability of our students through our unique opportunities designed to develop confidence, skills and resilience.

8 out of 10 students will tell us the skills and confidence they gained with us will help them in the future.

Goal 3. We will support students to achieve academic success by working with ARU to create an inclusive, fair and ever improving learning environment.

8 out of 10 students will feel supported by the Students' Union during their academic journey.

Goal 4. We will proactively support students to thrive in an inclusive and welcoming environment.

8 out of 10 students will say we have supported their wellbeing.

Goal 5. We will create opportunities and deliver activities that make students proud to be part of the ARU community.

9 out of 10 students will be proud to be part of the ARU community.

Many of the activities undertaken in the year were focussed on delivering the behind-the-scenes changes necessary for the Union to deliver on our plans in current and future years. The Trustees created Committees to support and develop its oversight capabilities; adapted elected officer roles and agreed to restructure the Union's staff team to enhance operational delivery and the Union's performance management structures.

Elected Officers ensured that the student voice was heard at the major University committees and continued to focus on increasing attendance and engagement at Union Councils. The Union and University agreed on a 'Principles for Partnership' that set out 7 key metrics to enhance the way in which student feedback is built into the management structures at ARU.

For the fifth year, we held the student-led 'Made a Difference' awards which celebrates excellence in teaching, support and course representation. Officers and staff worked with colleagues in the University to promote a sense of community and pride in the institution.

Our annual survey found that 71% of ARU students were satisfied with the Students' Union and 62% felt they had a personal connection with their Students' Union. In addition, 70% of ARU students said they knew how the Students' Union can support them and 92% of ARU students who volunteer with the Union would wholeheartedly recommend it to a friend.

ANGLIA RUSKIN STUDENTS' UNION

TRUSTEES REPORT

YEAR ENDED 31ST JULY 2017

Finally, 62% of students said they felt the Union effectively represents their academic interests. This ranks the Union in the top half of Students' Unions across the UK.

These results have been underpinned by a sustained programme of work aimed at meeting the strategic aims. For example, in 2016-17 there has been an 81% increase in the number of student-led societies; 1,222 students were supported through the Advice Service and 16,854 hours of volunteering were logged through the Volunteer Centre.

FINANCIAL REVIEW

The accounts show an increase to the Union's general unrestricted reserves of £15,763 (2016: £151,726). This increase reflects the continued support from the University and tight budgetary control over expenditure whilst growing the scope and quality of services. The Trustees continue to identify items that have operational and strategic benefits and have designated some reserves to enable the Union to invest in them.

The Union spent £682,002 (2016: £586,092) on Advice and Representation and £391,496 (2016: £371,872) on Student Activities. The Union's deficit on Student Venues and Entertainments has remained largely similar at £201,008 (2016: £196,414) on a full cost basis. Increased revenues and improving Gross Profit margins were offset by increases to the Union's staffing costs and administration fees arising from the Union becoming a Living Wage Foundation accredited employer.

As a result of FRS102, a new designated reserve has been set up to reflect the pension liability of £714,522 which is payable over the next 17 years. The inclusion of the overall pension deficit and other designated reserves results in the total net liabilities amounting to £154,598 (2016: net assets of £9,681)

The Trustees note the Union has ended the financial year delivering another surplus and retained General Reserves, excluding the pension deficit, of £434,334 (2016: £418,571). Therefore, despite the net liabilities at the year end, the Union remains financially strong.

Key Personnel Salaries

The salaries of key personnel are determined by placing the role within a grade boundary on the Union's pay scale and are subject to the approval of the Trustees. Annual increments are awarded to employees. Each time the Job Description or responsibilities of a role are changed consideration is given to the grade boundary best suited to the responsibilities of the new role. During the year the Union appointed an external expert to assess and review the effectiveness of the Union's pay scale and the accuracy of employees' job descriptions. The recommendations were largely accepted by the Trustees and implemented accordingly. Where necessary the results of that review were implemented in consultation with the Union's employees.

ANGLIA RUSKIN STUDENTS' UNION**TRUSTEES REPORT****YEAR ENDED 31ST JULY 2017****Risk Management**

The Trustees regularly review the Union's key strategic risks. The Finance and Risk Committee has further strengthened the Trustee's oversight in this area. The key strategic risks remain as identified and placed in the risk register on 19 October 2016 and these are reviewed on an ongoing basis by the Trustees and the Finance and Risk Committee to ensure the identified risks, and the associated actions, remain relevant to the Union's developing needs and environment.

At their meeting on 19 October 2016 the Trustees considered the key strategic risks facing the Union and listed them as:

Internal	External
Ongoing Funding	Government Policy – HE Policy (particularly TEF and NSS), Non-HE Policy;
Staying Relevant – Changing student needs and demographics	University Strategy – Recruitment success & Funding
	Legislative Framework – with reference to Charity Law

FUTURE PLANS

As the Union enters the second year of the new strategic plan the Trustees have reviewed the impact of our first year's activity and are satisfied with the progress. The Trustees have reconfirmed the new strategy and the associated plans remains appropriate and will review the Union's progress against the 5 key strategic objectives again in June 2018.

ANGLIA RUSKIN STUDENTS' UNION

TRUSTEES REPORT

YEAR ENDED 31ST JULY 2017

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Charitable Company's Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources for that period. In preparing these financial statements, the Trustees are required to:-

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charitable Company will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the governing document. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that, in the case of each of the persons who are Trustees at the date of this report, the following applies:-

- So far as each Trustee is aware there is no relevant audit information (information needed by the Charitable Company's auditors in connection with preparing their report) of which the Charitable Company's auditors are unaware; and
- Each Trustee has taken all the steps necessary to make herself/himself aware of any relevant audit information and to establish that the Charitable Company auditors are aware of that information.

Approved by the Trustees on 19th February 2018 and signed on their behalf by:



Jamie Smith
Chair of Trustees (2017-18)

ANGLIA RUSKIN STUDENTS' UNION**INDEPENDENT AUDITORS REPORT OF THE MEMBERS****Opinion**

We have audited the financial statements of Anglia Ruskin Students' Union (the 'charitable company') for the year ended 31st July 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st July 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

ANGLIA RUSKIN STUDENTS' UNION

INDEPENDENT AUDITORS REPORT OF THE MEMBERS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for> . This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken, so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report or for the opinions we have formed.

Kevin Lally

Kevin Lally (Senior Statutory Auditor)
For and on behalf of Knox Cropper, Statutory Auditor
8/9 Well Court
London
EC4M 9DN

19th February 2018

ANGLIA RUSKIN STUDENTS' UNION
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST JULY 2017

	Note	Unrestricted General Funds £	Restricted Funds £	Designated Funds £	Total 2017 £	Total 2016 £
INCOME AND ENDOWMENTS FROM:						
Donations and Grants						
Block Grant	2	1,389,945	-	-	1,389,945	1,291,300
Sports Grant	2	68,400	-	-	68,400	67,100
Charitable Activities						
Student Social Venues	3	346,578	-	-	346,578	340,304
Student Activities	4	18,920	-	79,742	98,662	184,550
Advice and Representation	5	6,237	-	-	6,237	3,471
Communications and Marketing	6	111,058	-	-	111,058	112,106
Other		19,451	-	-	19,451	36,161
Total Income		1,960,589	-	79,742	2,040,331	2,034,992
EXPENDITURE ON:						
Charitable Activities						
Student Social Venues	3	547,586	-	-	547,586	536,719
Student Activities	4	393,924	-	96,234	490,158	556,422
Advice and Representation	5	688,239	-	-	688,239	589,563
Communications and Marketing	6	259,082	-	-	259,082	241,790
Revaluation of Pension Provision	9	-	-	219,545	219,545	-
Total Expenditure		1,888,831	-	315,779	2,204,610	1,924,494
Net Income/(Expenditure)		71,758	-	(236,037)	(164,279)	110,498
Transfer Between Funds	16	(55,995)	-	55,995	-	-
Net movement in funds		15,763	-	(180,042)	(164,279)	110,498
Reconciliation of Funds						
Total Funds brought forward		418,571	-	(408,890)	9,681	(100,817)
Funds Carried Forward		434,334	-	(588,932)	(154,598)	9,681

All transactions noted above derive from continuing operations.

The notes on page 13 to 21 form part of these financial statements

ANGLIA RUSKIN STUDENTS' UNION**BALANCE SHEET****AS AT 31ST JULY 2017**

	Note	2017		2016	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	11		40,102		40,660
Investments	12		100		100
CURRENT ASSETS					
Stocks		15,538		16,988	
Debtors	13	67,559		103,585	
Cash at Bank and In Hand		568,575		521,726	
		<u>651,672</u>		<u>642,299</u>	
CREDITORS : Amounts falling due within one year	14	<u>(173,625)</u>		<u>(179,701)</u>	
NET CURRENT ASSETS			478,047		462,598
CREDITORS : Amounts falling due after more than one year					
Pension Provision	15		(672,847)		(493,677)
Total Net Assets/(Liabilities)			<u>(154,598)</u>		<u>9,681</u>
Represented by:					
Restricted Funds	16		-		-
Unrestricted Funds					
General Reserves	16		434,334		418,571
Designated Funds	16		(588,932)		(408,890)
			<u>(154,598)</u>		<u>9,681</u>

These financial statements were approved by the Board of Trustees on 19 February 2018 and are signed on their behalf by:



MATTHEW ENSOR
Chief Executive



JAMIE SMITH
President 2017/18

The notes on pages 13 to 21 form part of these financial statements

Registered Company Number: 08064796

ANGLIA RUSKIN STUDENTS' UNION**STATEMENT OF CASH FLOWS****AS AT 31ST JULY 2017**

Note	2017 £	2016 £
Cash Flows from Operating Activities		
Net movement of funds for the period	(164,279)	110,498
Adjustments for:		
Depreciation	13,816	6,995
Write off of fixed assets	6,243	-
Interest received from investments	(33)	(37)
Decrease/(Increase) in Stock	1,449	(2,574)
Decrease in Debtors	36,026	19,793
Increase in Pension Provision	186,119	-
Decrease in Other Creditors	(2,188)	(38,901)
Net Cash used in Operating Activities	<u>77,153</u>	<u>95,774</u>
Cash Flows from Investing Activities		
Interest received from investments	33	37
Payments to acquire fixed assets	(19,500)	(15,029)
Net Cash used in Investing Activities	<u>(19,467)</u>	<u>(14,992)</u>
Cash Flows from Financing Activities		
Loan repayments	(10,837)	(31,239)
Net Cash used in Financing Activities	<u>(10,837)</u>	<u>(31,239)</u>
Change in cash and equivalents in the period	46,849	49,543
Cash and equivalents at the start of the period	521,726	472,183
Cash and equivalents at the end of the period	<u>568,575</u>	<u>521,726</u>

ANGLIA RUSKIN STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2017

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the recommendations of the Statement of Recommended Practice: 'Accounting and Reporting by Charities' (SORP 2015), the Companies Act 2006 and UK Accounting Standards, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Anglia Ruskin Students' Union constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about Anglia Ruskin Students' Union's ability to continue as a going concern.

Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when Anglia Ruskin Students' Union has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings based on the number of staff in each area of charitable activity.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

Anglia Ruskin Students' Union participates in the Student Union Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension. The scheme is now closed to future accrual. The fund is valued at least every three years by a professionally qualified independent actuary with the rates of contribution payable being determined by the trustees on the advice of the actuary. The scheme is a multi-employer scheme and operates as a pooled arrangement with contributions paid at a centrally agreed rate. As a consequence, no share of the underlying assets and liabilities can be directly attributed to the Union. In these circumstances contributions are accounted for as if the scheme were a defined contribution scheme based on actual contributions paid though the year.

ANGLIA RUSKIN STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2017

1. ACCOUNTING POLICIES (Continued)

Taxation

Anglia Ruskin Students' Union is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Assets are not capitalised below £1000 cost per item. Depreciation is charged on a straight-line basis over their estimated useful life as follows:

- Furniture and Other Assets 4-5 years
- IT/Technical equipment 3 years
- Exhibition equipment 2 years

Investments

The fixed asset investments are stated at cost less impairment.

Stocks

Stocks are valued at the lower of costs and net realisable value, after making due allowance for obsolete and slow moving stock.

Fund accounting

Restricted funds comprise income received to be used in accordance with specific instructions imposed by donors, less associated costs. The aim and use of each restricted fund is set out in the notes to the accounts where material.

Unrestricted funds are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds are set aside at the discretion of the Trustees for specific purposes and include balances allocated to individual clubs and societies. They would otherwise form part of the general reserves.

2. GRANT FROM UNIVERSITY

	Unrestricted	Restricted	Designated	Total 2017	2016
	£	£	£	£	£
Block Grant	1,389,945	-	-	1,389,945	1,291,300
Sports and Societies Grant	68,400	-	-	68,400	67,100
	<u>1,458,345</u>	<u>-</u>	<u>-</u>	<u>1,458,345</u>	<u>1,358,400</u>

The University also provide the Union with rent free accommodation, in accordance with an informal licence agreement. The value of this in kind benefit has not been valued and included in the accounts.

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2017****3. STUDENT SOCIAL VENUES**

	-----2017-----				2016
	Bars £	Retail £	Entertainment £	Total £	Total £
Sales	89,745	126,772	130,061	346,578	340,304
Cost of Sales	(44,114)	(83,976)	(82,234)	(210,324)	(214,387)
Gross Profit	45,631	42,796	47,827	136,254	125,917
Staff Salaries and Wages	(76,710)	(45,683)	(75,797)	(198,190)	(191,703)
Other Direct Costs	(25,645)	(5,905)	(1,409)	(32,959)	(30,116)
Support Costs	(35,371)	(35,371)	(35,371)	(106,113)	(100,512)
	(92,095)	(44,163)	(64,750)	(201,008)	(196,414)

4. STUDENT ACTIVITIES

	-----2017-----				2016
	Unrestricted £	Restricted £	Designated £	Total £	Total £
Income	18,920	-	79,742	98,662	184,550
Direct Costs	(90,129)	-	(96,234)	(186,363)	(285,535)
Staff Salaries and Wages	(161,404)	-	-	(161,404)	(136,012)
Support Costs	(142,391)	-	-	(142,391)	(134,875)
	(375,004)	-	(16,492)	(391,496)	(371,872)

5. ADVICE AND REPRESENTATION

	-----2017-----				2016
	Unrestricted £	Restricted £	Designated £	Total £	Total £
Income	6,237	-	-	6,237	3,471
Direct Costs	(112,525)	-	-	(112,525)	(58,224)
Staff Salaries and Wages	(397,044)	-	-	(397,044)	(362,101)
Support Costs	(178,670)	-	-	(178,670)	(169,238)
	(682,002)	-	-	(682,002)	(586,092)

6. COMMUNICATIONS AND MARKETING

	-----2017-----			2016
	Marketing £	Communication £	Total £	Total £
Income	111,058	-	111,058	112,106
Direct Costs	(62,691)	(37,269)	(99,960)	(103,864)
Staff Salaries and Wages	(11,285)	(85,251)	(96,536)	(78,642)
Support Costs	(23,562)	(39,024)	(62,586)	(59,283)
	13,520	(161,544)	(148,024)	(129,684)

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2017****7. SUPPORT COSTS**

	-----2017-----			2016 Total £
	Unrestricted £	Restricted £	Designated £	
Central Services Salaries and Wages	(221,094)	-	-	(221,094) (208,455)
Pension Levy	(3,370)	-	-	(3,370) (18,819)
Premises and Equipment Costs	(28,339)	-	-	(28,339) (12,657)
Administration and Finance	(144,007)	-	-	(144,007) (123,382)
Human Resources and Payroll	(38,668)	-	-	(38,668) (44,074)
Professional Fees	(46,282)	-	-	(46,282) (48,451)
Governance	(8,000)	-	-	(8,000) (8,070)
	<u>(489,760)</u>	-	-	<u>(489,760) (463,908)</u>
<i>Apportioned to:</i>				
Student Social Venues	(106,113)	-	-	(106,113) (100,512)
Student Activities	(142,391)	-	-	(142,391) (134,875)
Advice and Representation	(178,670)	-	-	(178,670) (169,238)
Communications and Marketing	(62,586)	-	-	(62,586) (59,283)
	<u>(489,760)</u>	-	-	<u>(489,760) (463,908)</u>

8. STAFF COSTS

	2017 £	2016 £
Salaries and Wages	838,996	777,977
Employers NI	74,163	68,271
Pension Contributions (current employees)	23,382	10,389
Pension Contributions (past deficit)	33,426	34,530
Student Staff	<u>133,358</u>	<u>120,277</u>
	<u>1,103,325</u>	<u>1,011,444</u>

The average number of employees (full time equivalents) during the period amounted to 34 (2016: 31). One employee earned emoluments between £60,000 and £70,000 (2016: nil).

Key management personnel consists of 4 persons whose combined employee benefits including pensions amounted to £136,986 in 2017 (2016: £157,719).

Officer trustees receive remuneration for their services as officers of the Union and the amounts paid during the period are set out in note 21. No other trustee received remuneration for their services (2016: nil). Travel expenses were reimbursed to 3 trustees during the period amounting to £210 (2016: £nil).

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2017****9. PENSIONS**

The Union participated in the Students' Union Superannuation Scheme, which is a defined benefit scheme whose membership consists of employees of students' unions and related bodies throughout the country. Benefits in respect of service up to 30th September 2003 are accrued on a "final salary" basis, with benefits in respect of service from 1st October 2003 accruing on a Career Average Revalued Earnings (CARE) basis. With effect from 30th September 2011 the scheme closed to future accrual.

The most recent valuation of the scheme was carried out as at 30th June 2016 and showed that the market value of the scheme's assets was £101.3m with these assets representing 46% of the value of benefits that had accrued to members after allowing for expected future increases in earnings. The deficit on an ongoing funding basis amounted to £119.7m.

The assumptions which have the most significant effect upon the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The 2016 valuation recommended a contribution requirement by each Union expressed in monetary terms intended to clear the on-going funding deficit over a period of 17 years and will increase by at least 5% each year. These contributions also include an allowance for cost of the on-going administrative and operational expenses of running the scheme. These rates applied with effect from 1 October 2017. In accordance with FRS 102 provision has been made for the discounted value of contributions receivable. Surpluses and deficits which arise at future valuations will also impact on the Unions future contribution commitment. In addition to the above contributions, the Union also pays its share of the schemes levy to the Pension Protection Fund. The discount rate applied was 3.4%.

The net present value of the contributions that Anglia Ruskin Students' Union have agreed to pay over the next 17 years represents a liability at the year-end of £714,522. This has resulted in a £219,545 charge to expenditure to bring the pension reserve up to the value of this adjusted liability.

The Union now participates in the NUSPS Pension Scheme, a defined contribution scheme, of which 6% of gross salaries are paid in by the Union and 6% of net salaries are paid in by employees.

The total contributions paid into both schemes by the Union in respect of eligible employees for the year ended 31st July 2017 amounted to £56,808, including deficit contributions (2016:£44,919).

10. NET INCOMING RESOURCES FOR THE PERIOD

This is stated after charging:

	2017	2016
	£	£
Depreciation	13,816	6,995
Auditors Remuneration	8,676	7,595
Operating Lease Costs	<u>40,208</u>	<u>26,451</u>

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2017****11. TANGIBLE FIXED ASSETS**

	Office Equipment & Fittings £	Bars £	Other Assets £	Total £
COST				
At 1 st August 2016	44,270	73,342	263,292	380,904
Additions	7,500	6,000	6,000	19,500
Disposals	(29,489)	-	(247,533)	(277,022)
At 31st July 2017	<u>22,281</u>	<u>79,342</u>	<u>21,759</u>	<u>123,382</u>
DEPRECIATION				
At 1 st August 2016	24,908	64,591	250,745	340,244
Charge for the year	7,145	3,262	3,409	13,816
Disposals	(24,245)	-	(246,535)	(270,780)
At 31st July 2017	<u>7,808</u>	<u>67,853</u>	<u>7,619</u>	<u>83,280</u>
NET BOOK VALUE				
At 31st July 2017	<u>14,473</u>	<u>11,489</u>	<u>14,140</u>	<u>40,102</u>
At 31 st July 2016	<u>19,362</u>	<u>8,751</u>	<u>12,547</u>	<u>40,660</u>

12. INVESTMENTS

At 31st July 2017 the Union held 100 £1 shares in Anglia Students' Union Trading Company Limited which is incorporated in the United Kingdom. This company is currently dormant.

13. DEBTORS

	2017 £	2016 £
Trade Debtors	1,080	51,689
Other Debtors	31,639	47,648
VAT	34,840	(6,507)
Special Funding Grant	-	10,755
	<u>67,559</u>	<u>103,585</u>

The Special Funding Grant was awarded by the University in 2011 to fund the balance of the outstanding bank loan as at the start of the year and was received over the same period that the loan was repayable. The remainder was paid back during the year.

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2017****14. CREDITORS: Amounts falling due within one year**

	2017		2016	
	£	£	£	£
Bank Loans and Overdrafts		-		10,837
<i>Trade Creditors:</i>				
Due to the University	9,410		32,883	
Other	<u>64,053</u>		<u>55,012</u>	
		73,463		87,895
<i>Other Creditors including Taxation and Social Security :</i>				
PAYE and Social Security	22,253		26,093	
Amount due to Subsidiary Undertaking	1,110		1,110	
Pension Liability	41,675		34,726	
Accruals and Deferred Income	<u>35,124</u>		<u>19,040</u>	
		<u>100,162</u>		<u>80,969</u>
		<u>173,625</u>		<u>179,701</u>

15. CREDITORS: Amounts falling due after more than one year

	2017	2016
	£	£
Pension Liability	<u>672,847</u>	<u>493,677</u>
	<u>672,847</u>	<u>493,677</u>

The pension liability is due to be paid over the next 17 years and is based on information provided by the SUSS. The Pension Liability is repayable over the following periods:

	2017	2016
	£	£
Due Within One Year	41,675	34,726
Between One and Two years	188,605	157,171
Within Two to Five Years	<u>484,242</u>	<u>336,506</u>
	<u>714,522</u>	<u>528,403</u>

16. FUNDS

	Balance Brought Forward	Income	Expenditure	Transfers	Balance Carried Forward
	£	£	£	£	£
Designated Funds					
Clubs and Societies	52,259	79,742	(84,073)	-	47,928
Other Sports	19,613	-	(11,978)	22,569	30,204
Office & Shop					
Refurbishments	47,641	-	(183)	-	47,458
Pension Liability	<u>(528,403)</u>	-	<u>(219,545)</u>	<u>33,426</u>	<u>(714,522)</u>
	<u>(408,890)</u>	<u>79,742</u>	<u>(315,779)</u>	<u>55,995</u>	<u>(588,932)</u>
Unrestricted Funds					
General Reserves	418,571	1,960,589	(1,888,831)	(55,995)	434,334
Total Reserves	<u>9,681</u>	<u>2,040,331</u>	<u>(2,204,610)</u>	<u>-</u>	<u>(154,598)</u>

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2017****16. FUNDS Continued**

The designated funds have been established for use for the following purposes:

Clubs and Societies Balances: Funds raised through membership, fundraising etc. by University clubs and societies are ring fenced by the individual clubs and societies for their own use.

Other Sports Balances: The policy of the Union is that any surplus on these funds are ring fenced and are to be allocated by the students.

Office & Shop Refurbishments: These funds will be used to provide a 'pop up' shop around campus, upgrades to the receptions at Chelmsford and Cambridge and storage space for the administrative office areas.

Pension Liability: These funds represent the pension liability as set out in note 9.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds	Designated Funds	Unrestricted Funds	Total Funds 2017
	£	£	£	£
Fixed assets	-	-	40,202	40,202
Net Current Assets	-	83,915	394,132	478,047
Creditors due after one year	-	(672,847)	-	(672,847)
	-	(588,932)	434,334	(154,598)

18. COMMITMENTS UNDER OPERATING LEASES

At 31st July 2017 the following operating lease payments are committed to be paid

	Assets Other Than Land & Buildings	
	2017	2016
	£	£
Expiring :		
Within 1 year	32,316	27,533
Within 2 to 5 years	36,428	13,834
	<u>68,744</u>	<u>41,367</u>

19. DONATIONS

The Union made no donations to external bodies during the year except where collections were made on behalf of various charities and lodged with the Union prior to payment to the charity.

20. TAXATION

The charity is not liable to corporation tax as it is entitled to the exemptions available to charities where income earned is applied for charitable purposes.

ANGLIA RUSKIN STUDENTS' UNION**NOTES TO THE FINANCIAL STATEMENTS (Continued)****FOR THE YEAR ENDED 31ST JULY 2017****21. RELATED PARTY TRANSACTIONS**

The Union's relationship with Anglia Ruskin University is governed by the Education Act 1994, under which the Governing Body of the University has a legal requirement to, inter alia, ensure the financial affairs of the Union are properly conducted. The Union is also dependent upon the University for financial support. During the year the Union was in receipt of a block grant of £1,389,945 (2016: £1,291,300), and a designated Sports grant of £68,400 (2016: £67,100). In addition, the Union occupies its building on a rent free basis under an informal licence subject to the Union maintaining the building in a good state of repair. Amounts due to and from the university are set out in notes 13 and 14.

The sabbatical members of the Trustee Board receive remuneration for their services as provided for within the Constitution. The total amount payable for the officers during the year was £100,618 (2016: £99,965).

22. COMPARATIVE SOFA 2016

		Unrestricted General Funds	Restricted Funds	Designated Funds	Total 2016 £
	Note	£	£	£	£
INCOME AND ENDOWMENTS					
FROM:					
Donations and Grants					
Block Grant	2	1,291,300	-	-	1,291,300
Sports Grant	2	67,100	-	-	67,100
Special Grant	2	-	-	-	-
Charitable Activities					
Student Social Venues	3	340,304	-	-	340,304
Student Activities	4	37,610	-	146,940	184,550
Advice and Representation	5	3,471	-	-	3,471
Communications and Marketing	6	112,106	-	-	112,106
Other		36,161	-	-	36,161
Total Income		<u>1,888,052</u>	<u>-</u>	<u>146,940</u>	<u>2,034,992</u>
EXPENDITURE ON:					
Charitable Activities					
Student Social Venues	3	536,719	-	-	536,719
Student Activities	4	379,101	7,149	170,172	556,422
Advice and Representation	5	589,563	-	-	589,563
Communications and Marketing	6	241,790	-	-	241,790
Total Expenditure		<u>1,747,173</u>	<u>7,149</u>	<u>170,172</u>	<u>1,924,494</u>
Net Income/(Expenditure)	11	140,879	(7,149)	(23,232)	110,498
Transfer between Funds		10,847	-	(10,847)	-
Net movement in funds		<u>151,726</u>	<u>(7,149)</u>	<u>(34,079)</u>	<u>110,498</u>
Reconciliation of Funds					
Total Funds brought forward		266,845	7,149	(374,811)	(100,817)
Funds Carried Forward		<u>418,571</u>	<u>-</u>	<u>(408,890)</u>	<u>9,681</u>